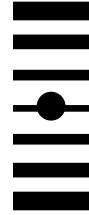


## CHAPTER SIX

# Grounds for Refusing Registration



Section 1052 of the Lanham Act contains a series of grounds for refusing federal registration of trademarks. We will take its subsections in turn.

### 1.) 1052(a)

**No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it—**

**(a) Consists of or comprises ~~immoral, deceptive, or scandalous matter; or matter which may disparage or~~ falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, ~~or bring them into contempt, or disrepute;~~ or a geographical indication which, when used on or in connection with wines or spirits, identifies a place other than the origin of the goods and is first used on or in connection with wines or spirits by the applicant on or after one year after the date on which the WTO Agreement (as defined in section 3501 (9) of title 19) enters into force with respect to the United States.<sup>1</sup>**

Why the crossed-out text? In 2017, two landmark cases struck down longstanding provisions of section 1052(a) as violations of the First Amendment. You may recall the First Amendment cases from Chapters 2 and 3—there, the freedom of speech (whether it was the right to use 20 years of material set to enter the public domain, the word “Olympic,” a cheerleader uniform, or a brand name) was in conflict with intellectual property rights. In the cases that follow, the framework is a little different. It is the parties *seeking* federally registered intellectual property rights who are bringing First Amendment claims, namely that the statutory prohibitions against registering their trademarks are unconstitutional restrictions of speech.

**i.) Disparaging marks.** In June 2017, the Supreme Court invalidated § 1052(a)’s prohibition on registering marks that “may disparage [persons, beliefs, etc.] or bring them into contempt, or disrepute,” holding that it violates the First Amendment. The opinion in this case—*Matal v. Tam*—follows.

You may have read about the REDSKINS trademark litigation, on which this case bears. Before the *Tam* decision, the federal registrations of six trademarks containing the term REDSKINS had been cancelled because they were found disparaging to Native Americans in violation of § 1052(a). When those cancellations were appealed, the lower

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<sup>1</sup> The last clause of § 1052(a) was inserted to comply with the TRIPS Agreement. It prohibits geographical indications on wines and spirits that identify a place other than their origin, even if the term is not misleading; “Champagne” cannot be used on sparkling wine unless it comes from Champagne, France. (Or unless the wine was grandfathered in by being used before the relevant date. Hence the excellent Chandon Brut sparkling wine from California may not use the term “champagne” but Cooks Champagne may.)

courts echoed the reasoning of earlier cases – holding that the refusal to register disparaging marks does not impermissibly restrict free speech, because the trademark holder is free to go on using the disparaging mark, just without the benefits of federal registration. *See Pro-Football, Inc. v. Blackhorse* (E.D. Va. 2015). Those cases are no longer good law. After the *Tam* decision, such marks *can* be registered, since the provision under which they were refused has been found unconstitutional. As you read the case below, remember that the question here is *constitutionality*. One might find some marks offensive but believe that the government does not get to deny them registration for that reason alone.

***Matal v. Tam***  
*137 S. Ct. 1744 (2017)*



ALITO, J., announced the judgment of the Court. . . . GORSUCH, J., took no part in the consideration or decision of the case. [The Justices who joined on each portion are noted below.]

This case concerns a dance-rock band’s application for federal trademark registration of the band’s name, “The Slants.” “Slants” is a derogatory term for persons of Asian descent, and members of the band are Asian-Americans. But the band members believe that by taking that slur as the name of their group, they will help to “reclaim” the term and drain its denigrating force.



The dance-rock band “The Slants”

The Patent and Trademark Office (PTO) denied the application based on a provision of federal law prohibiting the registration of trademarks that may “disparage . . . or bring . . . into contemp[t] or disrepute” any “persons, living or dead.” 15 U.S.C. § 1052(a). We now hold that this provision violates the Free Speech Clause of the First Amendment. It offends a bedrock First Amendment principle: Speech may not be banned on the ground that it expresses ideas that offend.

**I**  
[unanimous]  
**A**

“The principle underlying trademark protection is that distinctive marks—words, names, symbols, and the like—can help distinguish a particular artisan’s goods from those of others.” . . . “[F]ederal law does not create trademarks.” Trademarks and their precursors have ancient origins, and trademarks were protected at common law and in equity at the time of the founding of our country. For most of the 19th century, trademark protection was the province of the States. Eventually, Congress stepped in to provide a degree of national uniformity, passing the first federal legislation protecting trademarks in 1870. The foundation of current federal trademark law is the Lanham Act, enacted in 1946. . . . Under the Lanham Act, trademarks that are “used in commerce” may be placed on the “principal register,” that is, they may be federally registered. . . . There are now more than two million marks that have active federal certificates of registration. . . .

**B**

Without federal registration, a valid trademark may still be used in commerce. And an unregistered trademark can be enforced against would-be infringers in several ways. Most important, even if a trademark is not federally registered, it may still be enforceable under § 43(a) of the Lanham Act, which creates a federal cause of action for trademark infringement.<sup>1</sup> Unregistered trademarks may also be entitled to protection under other federal statutes, such as the Anticybersquatting Consumer Protection Act, 15 U.S.C. § 1125(d). And an unregistered trademark can be enforced under state common law, or if it has been registered in a State, under that State’s registration system.

Federal registration, however, “confers important legal rights and benefits on trademark owners who register their marks.” Registration on the principal register (1) “serves as ‘constructive notice of the registrant’s claim of ownership’ of the mark” (15 U.S.C. § 1072); (2) “is ‘prima facie evidence of the validity of the registered mark and of the registration of the mark, of the owner’s ownership of the mark, and of the owner’s exclusive right to use the registered mark in commerce on or in connection with the goods or services specified in the certificate’” (§ 1057(b)); and (3) can make a mark “‘incontestable’” once a mark has been registered for five years (§§ 1065, 1115(b)). Registration also enables the trademark holder “to stop the importation into the United States of articles bearing an infringing mark.” See 15 U.S.C. § 1124.

**C**

The Lanham Act contains provisions that bar certain trademarks from the principal register. For example, a trademark cannot be registered if it is “merely descriptive or deceptively misdescriptive” of goods, § 1052(e)(1), or if it is so similar to an already registered trademark or trade name that it is “likely . . . to cause confusion, or to cause mistake, or to deceive,” § 1052(d). At issue in this case is one such provision, which we will call “the

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<sup>1</sup> In the opinion below, the Federal Circuit opined that although “Section 43(a) allows for a federal suit to protect an unregistered trademark,” “it is not at all clear” that respondent could bring suit under § 43(a) because “there is no authority extending § 43(a) to marks denied under § 2(a)’s disparagement provision.” When drawing this conclusion, the Federal Circuit relied in part on our statement in *Two Pesos* that “the general principles qualifying a mark for registration under § 2 of the Lanham Act are for the most part applicable in determining whether an unregistered mark is entitled to protection under § 43(a).” We need not decide today whether respondent could bring suit under § 43(a) if his application for federal registration had been lawfully denied under the disparagement clause.

disparagement clause.” This provision prohibits the registration of a trademark “which may disparage . . . persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute.” § 1052(a). . . . When deciding whether a trademark is disparaging, an examiner at the PTO generally applies a “two-part test.” The examiner first considers “the likely meaning of the matter in question, taking into account not only dictionary definitions, but also the relationship of the matter to the other elements in the mark, the nature of the goods or services, and the manner in which the mark is used in the marketplace in connection with the goods or services.” “If that meaning is found to refer to identifiable persons, institutions, beliefs or national symbols,” the examiner moves to the second step, asking “whether that meaning may be disparaging to a substantial composite of the referenced group.” If the examiner finds that a “substantial composite, although not necessarily a majority, of the referenced group would find the proposed mark . . . to be disparaging in the context of contemporary attitudes,” a prima facie case of disparagement is made out, and the burden shifts to the applicant to prove that the trademark is not disparaging. What is more, the PTO has specified that “[t]he fact that an applicant may be a member of that group or has good intentions underlying its use of a term does not obviate the fact that a substantial composite of the referenced group would find the term objectionable.”

#### D

Simon Tam is the lead singer of “The Slants.” He chose this moniker in order to “reclaim” and “take ownership” of stereotypes about people of Asian ethnicity. The group “draws inspiration for its lyrics from childhood slurs and mocking nursery rhymes” and has given its albums names such as “The Yellow Album” and “Slanted Eyes, Slanted Hearts.”

Tam sought federal registration of “THE SLANTS,” on the principal register, but an examining attorney at the PTO rejected the request, applying the PTO’s two-part framework and finding that “there is . . . a substantial composite of persons who find the term in the applied for mark offensive.” The examining attorney relied in part on the fact that “numerous dictionaries define ‘slants’ or ‘slant-eyes’ as a derogatory or offensive term.” The examining attorney also relied on a finding that “the band’s name has been found offensive numerous times”—citing a performance that was canceled because of the band’s moniker and the fact that “several bloggers and commenters to articles on the band have indicated that they find the term and the applied-for mark offensive.”

Tam contested the denial of registration before the examining attorney and before the PTO’s Trademark Trial and Appeal Board (TTAB) but to no avail. Eventually, he took the case to federal court, where the *en banc* Federal Circuit ultimately found the disparagement clause facially unconstitutional under the First Amendment’s Free Speech Clause. The majority found that the clause engages in viewpoint-based discrimination, that the clause regulates the expressive component of trademarks and consequently cannot be treated as commercial speech, and that the clause is subject to and cannot satisfy strict scrutiny. The majority also rejected the Government’s argument that registered trademarks constitute government speech, as well as the Government’s contention that federal registration is a form of government subsidy. And the majority opined that even if the disparagement clause were analyzed under this Court’s commercial speech cases, the clause would fail the “intermediate scrutiny” that those cases prescribe. . . .

The Government filed a petition for certiorari, which we granted in order to decide whether the disparagement clause “is facially invalid under the Free Speech Clause of the First Amendment.” . . .

### III

Because the disparagement clause applies to marks that disparage the members of a racial or ethnic group, we must decide whether the clause violates the Free Speech Clause of the First Amendment. And at the outset, we must consider three arguments that would either eliminate any First Amendment protection or result in highly permissive rational-basis review. Specifically, the Government contends (1) that trademarks are government speech, not private speech, (2) that trademarks are a form of government subsidy, and (3) that the constitutionality of the disparagement clause should be tested under a new “government-program” doctrine. We address each of these arguments below.

#### A

[unanimous]

The First Amendment prohibits Congress and other government entities and actors from “abridging the freedom of speech”; the First Amendment does not say that Congress and other government entities must abridge their own ability to speak freely. And our cases recognize that “[t]he Free Speech Clause . . . does not regulate government speech.”

As we have said, “it is not easy to imagine how government could function” if it were subject to the restrictions that the First Amendment imposes on private speech. “[T]he First Amendment forbids the government to regulate speech in ways that favor some viewpoints or ideas at the expense of others,” but imposing a requirement of viewpoint-neutrality on government speech would be paralyzing. When a government entity embarks on a course of action, it necessarily takes a particular viewpoint and rejects others. . . .

But while the government-speech doctrine is important—indeed, essential—it is a doctrine that is susceptible to dangerous misuse. If private speech could be passed off as government speech by simply affixing a government seal of approval, government could silence or muffle the expression of disfavored viewpoints. For this reason, we must exercise great caution before extending our government-speech precedents.

At issue here is the content of trademarks that are registered by the PTO, an arm of the Federal Government. The Federal Government does not dream up these marks, and it does not edit marks submitted for registration. Except as required by the statute involved here, 15 U.S.C. § 1052(a), an examiner may not reject a mark based on the viewpoint that it appears to express. . . . In light of all this, it is far-fetched to suggest that the content of a registered mark is government speech. If the federal registration of a trademark makes the mark government speech, the Federal Government is babbling prodigiously and incoherently. It is saying many unseemly things. It is expressing contradictory views.<sup>9</sup> It is unashamedly endorsing a vast array of commercial products and services. And it is providing Delphic advice to the consuming public.

For example, if trademarks represent government speech, what does the Government have in mind when it advises Americans to “make.believe” (Sony), “Think different” (Apple), “Just do it” (Nike), or “Have it your way” (Burger King)? Was the Government warning about a coming disaster when it registered the mark “EndTime Ministries”?

The PTO has made it clear that registration does not constitute approval of a mark.

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<sup>9</sup> Compare “Abolish Abortion,” Registration No. 4,935,774 (Apr. 12, 2016), with “I Stand With Planned Parenthood,” Registration No. 5,073,573 (Nov. 1, 2016); compare “Capitalism Is Not Moral, Not Fair, Not Freedom,” Registration No. 4,696,419 (Mar. 3, 2015), with “Capitalism Ensuring Innovation,” Registration No. 3,966,092 (May 24, 2011); compare “Global Warming Is Good,” Registration No. 4,776,235 (July 21, 2015), with “A Solution to Global Warming,” Registration No. 3,875,271 (Nov. 10, 2010).

And it is unlikely that more than a tiny fraction of the public has any idea what federal registration of a trademark means. . . .

This brings us to the case on which the Government relies most heavily, *Walker v. Texas Div., Sons of Confederate Veterans, Inc.* (2015), which likely marks the outer bounds of the government-speech doctrine. Holding that the messages on Texas specialty license plates are government speech, the *Walker* Court cited three factors distilled from *Pleasant Grove City v. Summum* (2009). First, license plates have long been used by the States to convey state messages. Second, license plates “are often closely identified in the public mind” with the State, since they are manufactured and owned by the State, generally designed by the State, and serve as a form of “government ID.” Third, Texas “maintain[ed] direct control over the messages conveyed on its specialty plates.” As explained above, none of these factors are present in this case.

In sum, the federal registration of trademarks is vastly different from . . . even the specialty license plates in *Walker*. Holding that the registration of a trademark converts the mark into government speech would constitute a huge and dangerous extension of the government-speech doctrine. For if the registration of trademarks constituted government speech, other systems of government registration could easily be characterized in the same way.

Perhaps the most worrisome implication of the Government’s argument concerns the system of copyright registration. If federal registration makes a trademark government speech and thus eliminates all First Amendment protection, would the registration of the copyright for a book produce a similar transformation?

The Government attempts to distinguish copyright on the ground that it is “the engine of free expression,” but as this case illustrates, trademarks often have an expressive content. Companies spend huge amounts to create and publicize trademarks that convey a message. It is true that the necessary brevity of trademarks limits what they can say. But powerful messages can sometimes be conveyed in just a few words.

Trademarks are private, not government, speech.

## B

[Alito, Roberts, Thomas, Breyer]

We next address the Government’s argument that this case is governed by cases in which this Court has upheld the constitutionality of government programs that subsidized speech expressing a particular viewpoint. These cases implicate a notoriously tricky question of constitutional law. “[W]e have held that the Government ‘may not deny a benefit to a person on a basis that infringes his constitutionally protected . . . freedom of speech even if he has no entitlement to that benefit.’” But at the same time, government is not required to subsidize activities that it does not wish to promote. Determining which of these principles applies in a particular case “is not always self-evident,” but no difficult question is presented here.

Unlike the present case, the decisions on which the Government relies all involved cash subsidies or their equivalent. In *Rust v. Sullivan* (1991), a federal law provided funds to private parties for family planning services. . . . In other cases, we have regarded tax benefits as comparable to cash subsidies.

The federal registration of a trademark is nothing like the programs at issue in these cases. The PTO does not pay money to parties seeking registration of a mark. Quite the contrary is true: An applicant for registration must pay the PTO a filing fee of \$225-\$600. (Tam submitted a fee of \$275 as part of his application to register THE SLANTS.) And to maintain federal registration, the holder of a mark must pay a fee of \$300-\$500 every

10 years. The Federal Circuit concluded that these fees have fully supported the registration system for the past 27 years.

The Government responds that registration provides valuable non-monetary benefits that “are directly traceable to the resources devoted by the federal government to examining, publishing, and issuing certificates of registration for those marks.” But just about every government service requires the expenditure of government funds. . . .

Trademark registration is not the only government registration scheme. For example, the Federal Government registers copyrights and patents. State governments and their subdivisions register the title to real property and security interests; they issue driver’s licenses, motor vehicle registrations, and hunting, fishing, and boating licenses or permits. . . .

### C

[Alito, Roberts, Thomas, Breyer]

Finally, the Government urges us to sustain the disparagement clause under a new doctrine that would apply to “government-program” cases. For the most part, this argument simply merges our government-speech cases and the previously discussed subsidy cases in an attempt to construct a broader doctrine that can be applied to the registration of trademarks. . . . Potentially more analogous are cases in which a unit of government creates a limited public forum for private speech. . . . However, even in such cases, what we have termed “viewpoint discrimination” is forbidden.

Our cases use the term “viewpoint” discrimination in a broad sense, and in that sense, the disparagement clause discriminates on the bases of “viewpoint.” To be sure, the clause evenhandedly prohibits disparagement of all groups. It applies equally to marks that damn Democrats and Republicans, capitalists and socialists, and those arrayed on both sides of every possible issue. It denies registration to any mark that is offensive to a substantial percentage of the members of any group. But in the sense relevant here, that is viewpoint discrimination: Giving offense is a viewpoint.

We have said time and again that “the public expression of ideas may not be prohibited merely because the ideas are themselves offensive to some of their hearers.” For this reason, the disparagement clause cannot be saved by analyzing it as a type of government program in which some content- and speaker-based restrictions are permitted.

### IV

[Alito, Roberts, Thomas, Breyer]

Having concluded that the disparagement clause cannot be sustained under our government-speech or subsidy cases or under the Government’s proposed “government program” doctrine, we must confront a dispute between the parties on the question whether trademarks are commercial speech and are thus subject to the relaxed scrutiny outlined in *Central Hudson Gas & Elec. Corp. v. Public Serv. Comm’n of N.Y.* (1980). The Government and *amici* supporting its position argue that all trademarks are commercial speech. They note that the central purposes of trademarks are commercial and that federal law regulates trademarks to promote fair and orderly interstate commerce. Tam and his *amici*, on the other hand, contend that many, if not all, trademarks have an expressive component. In other words, these trademarks do not simply identify the source of a product or service but go on to say something more, either about the product or service or some broader issue. The trademark in this case illustrates this point. The name “The Slants” not only identifies the band but expresses a view about social issues.

We need not resolve this debate between the parties because the disparagement clause cannot withstand even *Central Hudson* review. Under *Central Hudson*, a

restriction of speech must serve “a substantial interest,” and it must be “narrowly drawn.” This means, among other things, that “[t]he regulatory technique may extend only as far as the interest it serves.” The disparagement clause fails this requirement.

It is claimed that the disparagement clause serves two interests. The first is phrased in a variety of ways in the briefs. Echoing language in one of the opinions below, the Government asserts an interest in preventing ““underrepresented groups”” from being ““bombarded with demeaning messages in commercial advertising.”” An *amicus* supporting the Government refers to “encouraging racial tolerance and protecting the privacy and welfare of individuals.” But no matter how the point is phrased, its unmistakable thrust is this: The Government has an interest in preventing speech expressing ideas that offend. And, as we have explained, that idea strikes at the heart of the First Amendment. Speech that demeans on the basis of race, ethnicity, gender, religion, age, disability, or any other similar ground is hateful; but the proudest boast of our free speech jurisprudence is that we protect the freedom to express “the thought that we hate.”

The second interest asserted is protecting the orderly flow of commerce. Commerce, we are told, is disrupted by trademarks that “involv[e] disparagement of race, gender, ethnicity, national origin, religion, sexual orientation, and similar demographic classification.” Such trademarks are analogized to discriminatory conduct, which has been recognized to have an adverse effect on commerce. A simple answer to this argument is that the disparagement clause is not “narrowly drawn” to drive out trademarks that support invidious discrimination. The clause reaches any trademark that disparages *any person, group, or institution*. It applies to trademarks like the following: “Down with racists,” “Down with sexists,” “Down with homophobes.” It is not an anti-discrimination clause; it is a happy-talk clause. In this way, it goes much further than is necessary to serve the interest asserted.

The clause is far too broad in other ways as well. The clause protects every person living or dead as well as every institution. Is it conceivable that commerce would be disrupted by a trademark saying: “James Buchanan was a disastrous president” or “Slavery is an evil institution”?

There is also a deeper problem with the argument that commercial speech may be cleansed of any expression likely to cause offense. The commercial market is well stocked with merchandise that disparages prominent figures and groups, and the line between commercial and non-commercial speech is not always clear, as this case illustrates. If affixing the commercial label permits the suppression of any speech that may lead to political or social “volatility,” free speech would be endangered.

\* \* \*

For these reasons, we hold that the disparagement clause violates the Free Speech Clause of the First Amendment. The judgment of the Federal Circuit is affirmed.

*It is so ordered.*

[Justice KENNEDY, with whom JUSTICE GINSBURG, JUSTICE SOTOMAYOR, and JUSTICE KAGAN joined, concurred in the judgment and argued further that “the First Amendment’s protections against viewpoint discrimination apply to the trademark here.” They concluded, “the viewpoint discrimination rationale renders unnecessary any extended treatment of other questions raised by the parties.”]

Justice THOMAS, concurring in part and concurring in the judgment.

. . . I also write separately because “I continue to believe that when the government



seeks to restrict truthful speech in order to suppress the ideas it conveys, strict scrutiny is appropriate, whether or not the speech in question may be characterized as ‘commercial.’” I nonetheless join Part IV of JUSTICE ALITO’s opinion because it correctly concludes that the disparagement clause, 15 U.S.C. § 1052(a), is unconstitutional even under the less stringent test announced in *Central Hudson*.

### Questions:

- 1.) What reasons does the court give for the claim that registered trademarks are private speech rather than government speech?
- 2.) Do you think that the disparagement clause constitutes viewpoint discrimination? Why? Why not?
- 3.) Do you foresee a flood of trademark applications seeking federal registration for “offensive” marks?
- 4.) Is this case consistent with *SFAA v. USOC*? Why? Why not?

**ii.) Immoral or scandalous marks.** Does the reasoning in *Matal v. Tam* also invalidate § 1052(a)’s bar on registering immoral or scandalous marks? The Supreme Court answered that question in the affirmative in 2019.

*Iancu v. Brunetti*  
588 U.S. \_\_\_\_ (2019)



KAGAN, J., delivered the opinion of the Court, in which THOMAS, GINSBURG, ALITO, GORSUCH and KAVANAUGH, JJ., joined. ALITO, J., filed a concurring opinion. ROBERTS, C.J., and BREYER, J., filed opinions concurring in part and dissenting in part. SOTOMAYOR, J., filed an opinion concurring in part and dissenting in part, in which BREYER, J., joined.

Two Terms ago, in *Matal v. Tam*, this Court invalidated the Lanham Act’s bar on the registration of “disparag[ing]” trademarks. 15 U.S.C. § 1052(a). Although split between two non-majority opinions, all Members of the Court agreed that the provision violated the First Amendment because it discriminated on the basis of viewpoint. Today we consider a First Amendment challenge to a neighboring provision of the Act, prohibiting the registration of “immoral[ ] or scandalous” trademarks. We hold that this provision infringes the First Amendment for the same reason: It too disfavors certain ideas.

## I

Respondent Erik Brunetti is an artist and entrepreneur who founded a clothing line that uses the trademark FUCT. According to Brunetti, the mark (which functions as the clothing’s brand name) is pronounced as four letters, one after the other: F-U-C-T. But you might read it differently and, if so, you would hardly be alone. That common perception caused difficulties for Brunetti when he tried to register his mark with the U.S. Patent and Trademark Office (PTO). . . .

## II

. . . [In *Matal*,] [t]he Justices thus found common ground in a core postulate of free speech law: The government may not discriminate against speech based on the ideas or opinions it conveys. . . . So the key question becomes: Is the “immoral or scandalous” criterion in the Lanham Act viewpoint-neutral or viewpoint-based?

It is viewpoint-based. The meanings of “immoral” and “scandalous” are not mysterious, but resort to some dictionaries still helps to lay bare the problem. When is expressive material “immoral”? According to a standard definition, when it is “inconsistent with rectitude, purity, or good morals”; “wicked”; or “vicious.” Webster’s New International Dictionary 1246 (2d ed. 1949). Or again, when it is “opposed to or violating morality”; or “morally evil.” Shorter Oxford English Dictionary 961 (3d ed. 1947). So the Lanham Act permits registration of marks that champion society’s sense of rectitude and morality, but not marks that denigrate those concepts. And when is such material “scandalous”? Says a typical definition, when it “giv[es] offense to the conscience or moral feelings”; “excite[s] reprobation”; or “call[s] out condemnation.” Webster’s New International Dictionary, at 2229. Or again, when it is “shocking to the sense of truth, decency, or propriety”; “disgraceful”; “offensive”; or “disreputable.” Funk & Wagnalls New Standard Dictionary 2186 (1944). So the Lanham Act allows registration of marks when their messages accord with, but not when their messages defy, society’s sense of decency or propriety. Put the pair of overlapping terms together and the statute, on its face, distinguishes between two opposed sets of ideas: those aligned with conventional moral standards and those hostile to them; those inducing societal nods of approval and those provoking offense and condemnation. The statute favors the former, and disfavors the latter. “Love rules”? “Always be good”? Registration follows. “Hate rules”? “Always be cruel”? Not according to the Lanham Act’s “immoral or scandalous” bar.

The facial viewpoint bias in the law results in viewpoint-discriminatory application. Recall that the PTO itself describes the “immoral or scandalous” criterion using much the same language as in the dictionary definitions recited above. The PTO, for example, asks whether the public would view the mark as “shocking to the sense of truth, decency, or propriety”; “calling out for condemnation”; “offensive”; or “disreputable.” Using those guideposts, the PTO has refused to register marks communicating “immoral” or “scandalous” views about (among other things) drug use, religion, and terrorism. But all the while, it has approved registration of marks expressing more accepted views on the same topics. . . . [A]s the Court made clear in *Tam*, a law disfavoring “ideas that offend” discriminates based on viewpoint, in violation of the First Amendment. . . .

We accordingly affirm the judgment of the Court of Appeals.

It is so ordered.

•••••

**iii.) Marks that falsely suggest a connection to persons.** § 1052(a) still prohibits the registration of marks that “falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols.” Note that this is different from disparagement – falsely suggesting a connection need not be disparaging. It is also distinct from § 1052(c)’s prohibition on using names of particular living individuals, and § 1052(e)’s prohibition on marks that are “primarily merely a surname” (both discussed below). The provision barring false associations with “persons” emerged from the concepts of rights of publicity and privacy. It only precludes registration when, among other things, “the plaintiff’s name or identity is of sufficient fame or reputation that when the defendant’s mark is used on

its goods or services, a connection with the plaintiff would be presumed.” So, for example, BO BALL with a baseball/football design could not be registered because it falsely suggested a connection with the famous athlete Bo Jackson, but DA VINCI could be registered for jewelry and leather giftware because reasonable buyers would not assume a connection between Leonardo Da Vinci and the trademark owner’s products.<sup>2</sup>

**iv.) Deceptive marks.** A deceptive mark can never be registered, unlike “deceptively misdescriptive” marks (see the discussion of § 1052(e) below), which can be registered upon acquiring secondary meaning. A mark is deceptive if its misrepresentation materially affects purchasing decisions. LOVEE LAMB for car seat covers made entirely of synthetic fibers and WHITE JASMINE for tea that contained no white tea were found to be deceptive because they were likely to affect the purchasing decisions of customers who wanted sheepskin seats, or the purported health benefits of white tea.<sup>3</sup>

## 2.) 1052(b)

**Consists of or comprises the flag or coat of arms or other insignia of the United States, or of any State or municipality, or of any foreign nation, or any simulation thereof.**

**Flags and other government insignia.** Section 1052(b) denies registration to a mark that “consists of or comprises the flag or coat of arms or other insignia of the United States, or of any State or municipality, or of any foreign nation, or any simulation thereof.” Government “insignia” is a narrow category, and only includes “specific designs formally adopted to serve as emblems of governmental authority,” such as flags and official seals.<sup>4</sup> Other national symbols, such as the Statue of Liberty or the Capitol building, may be part of a registered mark, as long as the mark does not falsely suggest a connection with the government in violation of § 1052(a).<sup>5</sup> What is the policy behind keeping core “emblems of governmental authority” from serving as registered trademarks, but allowing the registration of other national symbols?

Government entities are also precluded from registering official insignia as trademarks.<sup>6</sup> Outside of this narrow prohibition, however, the government owns many marks. In the wake of recent wars, there has been an uptick in trademark registrations by the Marines and other armed forces, along with efforts to protect their brands. The Navy successfully objected to Disney’s efforts to trademark the name SEAL TEAM 6. The Marines have objected to uses ranging from Marine-themed toilet paper called “Leatherneck Wipes” to a Star Trek fan site called “Starfleet Marine Corps Academy” that used the Marine Eagle (the website could keep the name but had to remove the eagle). They have also objected to uses by veterans—for example, a veteran who started a company called *Semper Fidelis* Garage Doors was required to remove the Marine emblem

<sup>2</sup> See *In re Sauer* (T.T.A.B. 1993), *aff’d* (Fed. Cir. 1994); *Lucien Piccard Watch Corp. v. Crescent Corp.* (S.D.N.Y. 1970).

<sup>3</sup> See *In re Budge Mfg. Co.* (Fed. Cir. 1988); *In re White Jasmine LLC* (T.T.A.B. 2013).

<sup>4</sup> *Trademark Manual of Examining Procedure* § 1204.

<sup>5</sup> *Liberty Mut. Ins. Co. v. Liberty Ins. Co. of Tex.* (E.D. Ark. 1960) (Liberty Mutual Insurance Company had a valid registration of a mark using the Statue of Liberty); *Heroes, Inc. v. Boomer Esiason Hero’s Foundation, Inc.* (D.D.C. 1997) (charity had a valid registration for a mark that included an image of the Capitol building).

<sup>6</sup> *In re City of Houston* (T.T.A.B. 2012) (Houston could not register its city seal).

from his trademark. Who should have the exclusive right to use something like the Marine emblem as a source indicator? The government? Veterans? Disney? Entrepreneurs who successfully associate it with a product?

### 3.) 1052(c)

**Consists of or comprises a name, portrait, or signature identifying a particular living individual except by his written consent, or the name, signature, or portrait of a deceased President of the United States during the life of his widow, if any, except by the written consent of the widow.**

**Names and portraits of living individuals.** Section 1052(c) bars the registration of a mark that “consists of or comprises a name, portrait, or signature identifying a particular living individual” or “deceased President of the United States during the life of his widow,” unless there is written consent. (Does this language need to be amended if a woman becomes president?) This section only applies when “the person is so well known that the public would assume a connection or there will be an association of the name and the mark as used on the goods because the individual is publicly connected with the field in which the mark is being used.”<sup>7</sup> For example, registration of the marks OBAMA PAJAMA, OBAMA BAHAMA PAJAMAS and BARACK’S JOCKS DRESS TO THE LEFT was rejected because they clearly identified President Obama.<sup>8</sup> By contrast, the authors of this casebook do not have § 1052(c) claims against BOYLES or JENNIFER HOME FURNITURE, both registered marks for furniture stores, because the public would not associate them with those trademarks.

### 4.) 1052(d)

**Consists of or comprises a mark which so resembles a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive. . . .**

**Confusingly similar to existing marks.** Section 1052(d) provides that a mark cannot be registered if it is likely to cause confusion with another active mark, though concurrent registration may be allowed in limited circumstances based on good faith prior use. The test for likelihood of confusion at the registration stage is the same as that used for infringement, and is explored in detail in Chapter 7. If you practice trademark law after graduation, this question may account for a lot of your billable hours: whether marks proposed for registration are likely to cause confusion with existing marks. You will only be able to answer that question properly once we have covered likelihood of confusion in Chapter 7, but we think it is worth it to set the issue up now.

Applicants trying to federally register a mark may face refusal under § 1052(d) when i.) the examining attorney at the PTO has determined that their mark is likely to cause

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<sup>7</sup> *Ross v. Analytical Technology Inc.* (TTAB 1999) (James W. Ross, Jr. was sufficiently well-known in the field to bar registration of ROSS for electrochemical analysis equipment).

<sup>8</sup> *In re Richard M. Hoeflin* (T.T.A.B. 2010).

confusion with a preexisting mark, or ii.) when the owner of such a mark has initiated an “opposition” proceeding claiming potential confusion. (Trademark owners vigilantly track trademark applications for this purpose. Duke University is particularly vigilant, if not overzealous, as it turns out; in fact, it has been named a leading trademark bully.)

Numerous factors are considered in determining whether registration is barred by § 1052(d) on confusion grounds, but as with infringement, two key factors are the similarity of the marks “in their entireties as to appearance, sound, connotation and commercial impression” and the “relatedness of the goods or services” connected to those marks. *Trademark Manual of Examining Procedure* § 1207.01. The PTO does not look at the products in isolation, or the marks in isolation. Rather, it asks the question, given the similarity or dissimilarity of the marks and the related or unrelated nature of the goods or services, is there a likelihood of confusion as to the source or the sponsorship of the applicant’s product? With this in mind, do you think there was a likelihood of confusion in the following cases?

- The trademark owner of MR. CLEAN for “sudsing cleaner, cleanser and detergent” opposed the registration of MISTER STAIN for a stain removing compound
- The owner of the same MR. CLEAN mark opposed the registration of MASTER KLEEN for dry cleaning services

What about design marks, where the similarity of the marks is assessed primarily on the basis of appearance? Are the following confusingly similar?



Registered mark for  
“moisturizing skin c



Applicant’s mark for  
“distributorship services in the  
field of health and beauty aids”



Ocean Spray’s registered  
mark for various foods  
and drinks made  
with cranberries



Applicant’s mark  
for “seafood”

## 5.) 1052(e)

Consists of a mark which

- (1) when used on or in connection with the goods of the applicant is merely descriptive or deceptively misdescriptive of them,
- (2) when used on or in connection with the goods of the applicant is primarily geographically descriptive of them, except as indications of regional origin may be registrable under section 1054 of this title,
- (3) when used on or in connection with the goods of the applicant is primarily geographically deceptively misdescriptive of them,
- (4) is primarily merely a surname, or
- (5) comprises any matter that, as a whole, is functional.

Section 1052(e) precludes registration of a mark that is: functional; merely

descriptive or “deceptively misdescriptive”; “primarily geographically descriptive” or “primarily geographically deceptively misdescriptive”; or “primarily merely a surname.” However, marks within some of these categories can become registrable after they acquire distinctiveness (see § 1052(f) below).

**i.) § 1052(e) “deceptively misdescriptive” v. § 1052(a) “deceptive.”** Marks that are *functional* or *merely descriptive*, and the reasons they are ineligible for protection, have already been discussed elsewhere in this chapter. But what about deceptively misdescriptive marks? Like merely descriptive marks, these marks describe their products in a way that falls short of being suggestive; however, the description is misleading. The mark TITANIUM for RVs might be “merely descriptive” if the vehicles are made of titanium, but is “deceptively misdescriptive” if the RVs do not contain titanium.<sup>9</sup> The test is “(i) whether the mark misdescribes the goods to which it applies; and (ii) whether consumers are likely to believe the misdescription.”<sup>10</sup> If the misdescription is one that materially affects purchasing decisions—for example, if consumers purchased TITANIUM RVs *because* they thought they were made of titanium—then the mark goes beyond being deceptive misdescriptive and is flat out “deceptive” under § 1052(a). The distinction between “deceptive” under § 1052(a) and “deceptively misdescriptive” under § 1052(e) is important because deceptive marks are never registrable, while deceptively misdescriptive marks can be registered if they acquire distinctiveness (see § 1052(f) below).

**ii.) Primarily geographically descriptive, or geographically deceptively misdescriptive.** For a mark to be geographically descriptive, consumers must assume that the goods or services originated from the place designated in the mark. So, for example, CALIFORNIA PIZZA KITCHEN was found geographically descriptive. “[E]ven if applicant may have opened a branch of its restaurant outside of California, we believe customers encountering this out-of-state restaurant would believe that the services originated in California. It should be noted that restaurant services would include the restaurant concept, menu, recipes, etc., and even though a customer in Atlanta, Georgia would obviously recognize that the particular branch of the restaurant was physically located outside of California, he would be likely to assume that the restaurant services such as the concept, recipes and even possibly the food originated in the state of California. Thus, we believe that the primary significance of “CALIFORNIA” in applicant’s mark would be its geographical significance.”<sup>11</sup> Registration was thus refused. Similarly, CAROLINA APPAREL for a clothing store was found geographically descriptive. “Accordingly, although applicant acknowledges that its services are rendered in the state of North Carolina, the actual items of clothing may come from a variety of locations, applicant contends. It is applicant’s position, therefore, that the asserted mark is not primarily geographically descriptive of its services.” The Board was not convinced by this reasoning. “It is clear that the primary significance of the designation CAROLINA APPAREL, APPAREL being generic and disclaimed by applicant, is geographic. The addition of a generic term to a geographic term does not avoid the refusal of primary geographic descriptiveness. Inasmuch as the services admittedly do or will come from the place named in the mark, a public association of the services with the place named in the mark is presumed. . . . Accordingly, there is clearly an association of applicant’s retail

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<sup>9</sup> See *Glendale Intern. Corp. v. U.S. Patent & Trademark Office* (E.D. Va. 2005) (registration of TITANIUM for RVs that were not made of titanium was properly rejected).

<sup>10</sup> *Id.*

<sup>11</sup> *In re California Pizza Kitchen Inc* (T.T.A.B. 1988).

clothing store services with the place named in the mark.”<sup>12</sup> Registration was refused. Do you agree with these conclusions? On the other hand, AMAZON for the online marketplace, SATURN for cars, and ATLANTIC for the magazine are not geographically descriptive because there is no goods/place association. While geographically descriptive marks are initially unregistrable, they can be registered if they acquire distinctiveness (see 1052(f) below).

Examples of “geographically deceptively misdescriptive” marks include HAVANA CLUB for cigars that were not from Cuba and NEAPOLITAN for sausages made in Florida instead of Naples.<sup>13</sup> However, a misleading mark might not be deemed geographically deceptively misdescriptive if it does not mislead a “substantial portion of the intended audience.” MOSKOVSKAYA—Russian for “of or from Moscow”—on vodka that was not from Moscow was initially rejected for registration, but this decision was vacated and remanded because it was not clear that the mark would deceive a substantial portion of relevant consumers, as only 0.25% of the U.S. population speaks Russian.<sup>14</sup> Consider the following: the mark SWISS ARMY KNIFE is used on penknives that are made in China rather than Switzerland. Is the mark registrable? Why or why not?

Some geographical terms, such as SWISS cheese and PEKING duck, have become generic and cannot serve as trademarks at all. But if geographical terms cease being generic, and gain secondary meaning, they may become registrable. At one time, BUDWEISER was the generic term for beer brewed according to a method pioneered in the town of Budweis. However, it is now associated in the minds of consumers with Anheuser-Busch and registrable in the US (though not in the EU because of preexisting use of the mark by the Czech company Budvar).

**iii.) Primarily merely a surname.** On its face, this prohibition focuses on surnames rather than full names. So JOHN SMITH might be registrable, but SMITH would not, absent secondary meaning (see 1052(f) below). What is the general policy behind this provision? Why not allow a business owner to register SMITH for her products, without a showing of secondary meaning? Of course, many surnames have secondary meaning and are famous registered marks, such as FORD, DUPONT, or MCDONALD’S. What about J. SMITH—is this still “primarily merely a surname”? How about J.D. SMITH? SMITH ELECTRONICS? The touchstone for answering such questions is “the primary significance of the mark to the purchasing public.”<sup>15</sup> So, for example, when surnames are combined with other terms (DELL COMPUTERS, DUKE UNIVERSITY), registrability would turn on whether or not the public perceives the mark as a whole as “primarily merely a surname.” Similarly, when a mark consists of a surname that is a double entendre (BIRD, COOK, KING), courts will look at the predominant meaning in the minds of consumers encountering the mark (does BIRD refer to the surname or the feathered vertebrate?). When the name of a famous person is used as a mark, it is unlikely to be “primarily merely a surname” because the public will instead associate it with the well-known personality.<sup>16</sup>

<sup>12</sup> *In re Carolina Apparel* (T.T.A.B. 1998).

<sup>13</sup> *Corporacion Habanos, S.A. v. Anncas, Inc* (T.T.A.B. 2008); *In re Jack’s Hi-Grade Foods, Inc* (T.T.A.B. 1985).

<sup>14</sup> *In re Spirits Intern., N.V.* (Fed. Cir. 2009) (noting that if a larger percentage of vodka consumers speak Russian, or non-Russian speakers would understand MOSKOVSKAYA to suggest “from Moscow,” then this might amount to a substantial portion).

<sup>15</sup> *Ex Parte Rivera Watch Corporation* (Comm’r Pat. & Trademarks 1955).

<sup>16</sup> *Michael S. Sachs, Inc.* (T.T.A.B. 2000) (“The mark M.C. ESCHER would no more be perceived as primarily merely a surname than the personal names P.T. Barnum, T.S. Eliot, O.J. Simpson, I.M. Pei and Y.A. Tittle.”).

**6.) 1052(f)**

**Except as expressly excluded in subsections (a), (b), (c), (d), (e)(3), and (e)(5) of this section, nothing in this chapter shall prevent the registration of a mark used by the applicant which has become distinctive of the applicant's goods in commerce. The Director may accept as prima facie evidence that the mark has become distinctive, as used on or in connection with the applicant's goods in commerce, proof of substantially exclusive and continuous use thereof as a mark by the applicant in commerce for the five years before the date on which the claim of distinctiveness is made. Nothing in this section shall prevent the registration of a mark which, when used on or in connection with the goods of the applicant, is primarily geographically deceptively misdescriptive of them, and which became distinctive of the applicant's goods in commerce before December 8, 1993.**

**Registration of otherwise problematic marks with secondary meaning.** Section 2(f) provides that marks that are *merely descriptive*, *deceptively misdescriptive*, *primarily geographically descriptive*, or *primarily merely a surname* can be registered if they acquire secondary meaning. Proof of exclusive and continuous use in commerce for five years can constitute prima facie evidence of distinctiveness. As a result of international agreements, marks that are *primarily geographically deceptively misdescriptive* can be registered only if they acquired secondary meaning before December 8, 1993. The remaining categories of marks addressed in § 1052—those that are deceptive, functional, falsely suggest connections with people or institutions, use flags or government seals, identify living individuals, or are likely to cause confusion with another mark—are not registrable even if they acquire distinctiveness. Why do we allow the registration of some categories of marks if they acquire secondary meaning and not allow others? What distinctions do you see between the various categories?

Section 2(f) also specifies proceedings for opposing or canceling marks on the basis of dilution, which we will deal with later in this book. Only “famous” marks are protected against dilution. There are two types of dilution, blurring and tarnishment. “[D]ilution by blurring” is “association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark.” “[D]ilution by tarnishment” is “association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark.”<sup>17</sup> Note that this provision requires the owner of the mark to bring the action to refuse registration, not the PTO to refuse it on application.

**A mark which would be likely to cause dilution by blurring or dilution by tarnishment under section 1125(c) of this title, may be refused registration only pursuant to a proceeding brought under section 1063 of this title. A registration for a mark which would be likely to cause dilution by blurring or dilution by tarnishment under section 1125(c) of this title, may be canceled pursuant to a proceeding brought under either section 1064 of this title or section 1092 of this title.**

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<sup>17</sup> § 1125(c).



**PROBLEM 6-1**

(We will be returning to this problem in future chapters, but you are asked here only about one aspect of it.)

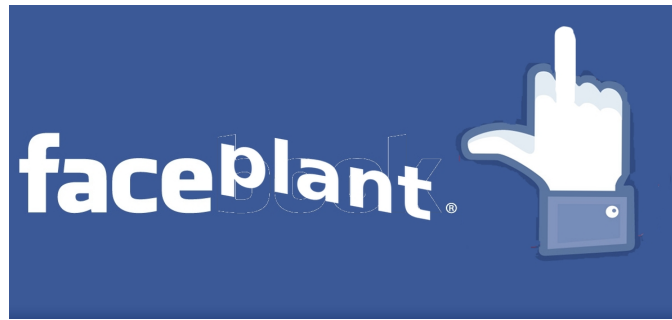
Alan Turning is the brilliant computer scientist behind a new program known as Faceplant. Mr. Turning is a long-time vocal critic of Facebook, the social network site. He believes that its privacy practices are poor and less than transparent, that it imposes on its users a tightening spiral of narcissism and withdrawal from the “real” world, and that its network structure and architecture is overly controlling and anti-competitive. Mr. Turning is fond of pointing out that Facebook was able to supplant Myspace as the dominant social network because there was “open competition on the open web.” Facebook, by contrast, has boasted that its goal is to be the portal through which users get *all* their content, e-commerce services and forms of communication. Mr. Turning believes that Facebook is trying to replace the “open” structure of the World Wide Web with its own carefully controlled gated community, from which competitors or rivals can be excluded. His saying, “Their goal is to be the *last* social network!” has become something of a rallying cry for Facebook’s critics.

Mr. Turning’s solution was to create a program called Faceplant that he claimed would restore “control of privacy to the user and control of competition to the free market.” Mr. Turning’s program simplifies the process of selecting and fine-tuning one’s privacy preferences by automating the process of jumping through Facebook’s cumbersome sets of menus. It also “nags” users if they stayed on Facebook for too long, sending messages such as “Enough with the profile tweaks!” “Only losers stalk their high school boyfriends!” and “It’s Spring! Go for a walk outside!” Finally, the program “unlocks” Facebook’s integration with other apps, so that users can use any app or play any game “inside” Facebook, not merely those approved by the Facebook app store. Mr. Turning made clear by both the name of his program and the logo he selected that his product was critical of Facebook. He claimed that the name “Faceplant” was designed to highlight two of his criticisms – that users become effectively unconscious because of Facebook’s influence (“doing a faceplant” is a slang expression for falling rapidly asleep) and that they turn away from more imaginative engagement with forms of culture such as *books*, into vegetative recipients of manipulative advertising, mere “*plants*.”

Both Facebook’s name and its original logo have been registered on the Principal Register since 2005. The logo is shown below.



Mr. Turning’s logo for Faceplant is based on a modification of that image to send a very different message.



Mr. Turning has applied for a Federal trademark on both the name “Faceplant” and the logo above which changes Facebook’s “like” symbol by rotating it 90 degrees and adding a raised middle finger. He is giving the app away for free, but he does make a considerable amount of money from advertisements seen by the millions of users flocking to his website, Faceplant.com.

**Would Mr. Turning be able to register his proposed marks? Why? Would Facebook be able to oppose registration? On what grounds and how? Bonus question: If refused registration on the Principal Register, would Mr. Turning be able to seek any other kind of protection for the name “Faceplant” and the logo?**